

A TRIBUTE TO JOHN NEECE

HON. MICHAEL M. HONDA

OF CALIFORNIA

HON. FORTNEY PETE STARK

OF CALIFORNIA

HON. ANNA G. ESHOO

OF CALIFORNIA

HON. SAM FARR

OF CALIFORNIA

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 2001

Mr. HONDA. Mr. Speaker, today I join with my colleagues, Representatives STARK, ESHOO, FARR, and LOFGREN in honoring the retirement of a dedicated public servant, John Neece. John's retirement as Chief Executive Officer of the Santa Clara and San Benito Counties Building and Construction Trades Council ends 21 years of exemplary service to his community.

A native of San Jose, California, John Neece attended Lowell Elementary and Roosevelt Junior High, and graduated from San Jose High in 1962. After becoming a member of the Ironworker's Apprenticeship Program, John went on to join the Santa Clara and San Benito Building and Construction Trades Council in 1979. John became the youngest Chief Executive Officer of any council in the State, as well as the youngest delegate from the State of California to the International Iron Workers.

Through John Neece's visionary leadership, the Building and Construction Trades Council became the important organization that it is today: a source of strong advocacy for workers and labor. A former ironworker himself, John utilized his insight, energy and vision to become the Trades business agent. As an organizer and a leader, John has been successful in creating growth in the union movement and cooperation with other local unions and developers. His efforts made the Trades Council a crucial force within the Bay Area.

However, John Neece's service has not been limited to the building and construction industry. John has participated in various community programs in Santa Clara County and volunteered his time on numerous boards throughout Silicon Valley. John is an Executive Board Member and Second Vice President of the South Bay AFL-CIO Labor Council, and serves on the Board of several agencies such as the Valley Medical Center Foundation and the Joint Venture Silicon Valley Board and Visioning Council. John has also served in the past on the Boards of the Red Cross Capital Campaign Committee and the Red Cross Disaster Relief Program.

Mr. Speaker, John Neece leaves behind a life-long legacy of excellence and professionalism. It has been a great pleasure for my fellow Members and I to work with him, and it is an honor to be able to pay tribute to him here. John Neece has been a great friend to us all, and we wish him well.

ON THE INTRODUCTION OF THE RAIL INFRASTRUCTURE DEVELOPMENT AND EXPANSION ACT FOR THE 21st CENTURY ("RIDE-21")

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 2001

Mr. YOUNG of Alaska. Mr. Speaker, Today, I introduce the Rail Infrastructure Development and Expansion Act for the 21st Century. RIDE-21 is the first truly workable proposal for developing high-speed passenger rail infrastructure in the United States.

As Chairman of the Transportation and Infrastructure Committee I have made easing congestion on the ground, in the air and on the water the top priority this Congress. I believe that construction of a true high-speed passenger rail system in the United States is an integral piece of that solution.

The United States needs safe and efficient high-speed rail, whether it is steel wheel or magnetic levitation. It will help reduce congestion on America's highways and air lanes by connecting urban centers. It will also provide the traveling public more options.

The tragedies of September 11, and the resulting short-term cessation of air travel, demonstrated the need for transportation alternatives for passengers. The increase in the amount of time it will now take to clear airport security has added to the time it takes to travel by air, potentially making high-speed rail a competitive alternative in some regional markets. Simply stated, it is time for the United States to make high-speed passenger rail a transportation priority.

RIDE-21 is not the only proposal before Congress that makes federal dollars available for the development of high-speed passenger rail. Other bills, such as H.R. 2329 in the House and S. 250 in the Senate, are well intended and are designed to address high-speed rail infrastructure needs as well; but those bills fall short. There are three significant reasons why other proposals will not get our nation any closer to a comprehensive national system of high-speed passenger rail corridors: (1) They do not provide enough funding, (2) they do not provide sufficient flexibility in the hands of States in making transportation decisions, and (3) what little money is provided comes at too high a cost to the Federal Treasury.

HIGHER INVESTMENT

RIDE-21 generates more than \$71 billion for high-speed passenger rail infrastructure through the sale of bonds and the approval of federal loans and loan guarantees. In the hearing held by the Subcommittee on Railroads of the Committee on Transportation and Infrastructure on July 25, we learned that Amtrak estimates that it would cost up to \$70 billion to build high-speed rail in the United States. That's what I mean when I say that RIDE-21 is the first truly credible high-speed passenger rail proposal. It gets the job done.

In addition, I am very concerned that states may misunderstand the scope of other bills. Amtrak's Northeast Corridor needs \$20 billion to upgrade the southern portion of the Northeast Corridor alone. Meanwhile, on September 12, U.S. Rail News reported that Virginia and North Carolina estimate that it will take more

than \$2.5 billion just to build high-speed rail infrastructure from Washington, D.C., to Charlotte, North Carolina. Proposals such as these and similar projects in Florida and in the Midwest would far surpass the funding level provided in competing bills.

TOO LITTLE FLEXIBILITY FOR STATES

Under competing proposals, Amtrak has too much control over the approval and funding of high speed systems. Amtrak's financial condition is in serious jeopardy, and I am concerned about its ability to perform the tasks assigned to it under these bills, such as issuing bonds, managing a fund to repay the bonds, managing the proceeds from the bonds, and repaying the bonds. I also have doubts that Amtrak could even raise the intended \$12 billion. As the Congressional Budget Office noted in a report on H.R. 2329 issued yesterday, bond buyers would be very reluctant to pay the face value of the bonds in later years because of the high risk that Amtrak could not repay the bonds. Moreover, Amtrak should concentrate on its core business of operating passenger trains and carrying mail and express and premium traffic.

RIDE-21 puts the federal and state governments in control of the development of high-speed passenger rail and balances their roles. On the one hand, it places the federal government, through the Department of Transportation, in control over approving the basic design of the high-speed rail network in the United States. Among its roles, the DOT must determine whether a corridor is a comprehensive and viable high-speed corridor. The DOT must determine whether the proposal makes a significant step toward achieving speeds of at least 125 miles per hour on the corridor. The DOT must determine whether all at-grade rail crossings are eliminated.

On the other hand, RIDE-21 puts states and compacts of states in the conductor's seat by giving them flexibility to address their transportation needs. States are free to develop the high-speed rail proposals that the DOT will review. States can choose which technology to employ and which routes make the most sense. States can take their project proposals directly to the DOT, without having to go through Amtrak as an intermediary. States, not Amtrak, control the bond proceeds, how they are managed, and how they are spent.

RIDE-21 does not leave states holding the bag, though. In fact, the cost of RIDE-21 to the states is about the same as the cost to the states of H.R. 2329. H.R. 2329 requires states to provide Amtrak with a minimum of 20 percent of the project cost. The states' contributions are then intended to grow over time so that Amtrak can use that money to pay off the bonds. If the states use a similar "sinking-fund structure," they will need to put up about the same amount of money so that it will grow into enough to pay off the bonds. Of course, under RIDE-21 states need not use a "sinking fund," because they are given flexibility to determine how to pay off the bonds.

Finally, Amtrak benefits from RIDE-21. As the only operator of high-speed passenger trains in the United States, Amtrak will be a partner with the states in many projects. And, it will have a clear competitive advantage when it comes time to bid on contracts to operate trains on this new rail network. As owner of the Northeast Corridor, Amtrak can also benefit from infrastructure improvements there, financed by the states under this bill. Amtrak